

**MINUTES OF THE
REVENUE AND TAXATION INTERIM COMMITTEE**
Wednesday, January 9, 2002 – 2:00 p.m. – Room 129 State Capitol

Members Present:

Sen. Curtis S. Bramble, Senate Chair
Rep. Wayne A. Harper, House Chair
Sen. Ron Allen
Sen. Lyle W. Hillyard
Sen. Howard Stephenson
Rep. Ralph Becker
Rep. Judy Ann Buffmire
Rep. David Clark
Rep. Steven R. Mascaro
Rep. Ty McCartney
Rep. Carol Spackman Moss
Rep. LaWanna Shurtliff
Rep. Gordon E. Snow

Members Absent:

Rep. Afton Bradshaw
Rep. Kevin S. Garn
Rep. John E. Swallow

Staff Present:

Mr. Bryant R. Howe, Research Analyst
Ms. Sharron Corelli, House Secretary

Note: A list of others present and a copy of materials distributed in the meeting are on file in the Office of Legislative Research and General Counsel.

1. Call to Order

Rep. Harper called the meeting to order at 2:20 p.m.

2. Committee Business

MOTION: Rep. Shurtliff moved to approve the minutes of the November 14, 2001, meeting. The motion passed unanimously with Sen. Allen, Sen. Stephenson, Rep. Becker and Rep. Buffmire absent for the vote.

H.B. 91 Mineral Production Tax Withholding Amendments (*G. Snow*)

MOTION: Rep. Snow moved the following amendments:

1. Page 2, Line 37: After "Act:" delete "or"
2. Page 2, Line 38: After "Act" delete the period and insert "; or" and after Line 38 insert: "(iv) Chapter 10, Individual Income Tax Act."

The motion passed unanimously with Sen. Allen, Sen. Stephenson, Rep. Becker and Rep. Buffmire absent for the vote.

Rep. Snow introduced the amended bill and explained it to the committee with the assistance of Chad Jacobson ,Chief Financial Officer, Moon Lake Electric, Roosevelt, Utah

Bruce Johnson, Utah Tax Commission, spoke for the bill.

MOTION: Rep. Clark moved to approve H.B.91 as amended and recommend that the House Rules Committee place the bill on the Third Reading Calendar. The motion passed unanimously with Sen. Allen, Sen. Stephenson, Rep. Becker, and Rep. Buffmire absent for the vote.

S.B. 28 Tax Credits - Removal of Tax Credit from Tax Form and Prohibition on Claiming or Carrying Forward Tax Credit (*C. Bramble*)

Sen. Bramble introduced the bill and explained it to the committee.

Bruce Johnson, Utah Tax Commission, spoke in favor of the bill.

Rep. Snow declared a conflict of interest.

MOTION: Sen. Stephenson moved to recommend that the Senate Rules Committee place the bill on the Second Reading Calendar. The motion passed unanimously with Sen. Allen, Rep. Becker, Rep. Buffmire, and Rep. Snow absent for the vote.

Rep. Harper relinquished the chair to Sen. Bramble.

H.B. 61 Funds Consolidation (*J. Alexander*)

Rep. Harper introduced the bill and explained it to the committee for Rep. Alexander.

MOTION: Rep. Moss moved to recommend that the House Rules Committee place the bill on the Third Reading Calendar. The motion passed unanimously with Sen. Allen, Sen. Hillyard, Rep. Becker, Rep. Buffmire, and Rep. Snow absent for the vote.

H.B. 201 Property Tax - Judgment Levy (*W. Harper*)

Rep. Harper introduced the bill and explained it to the committee.

MOTION: Rep. Mascaro moved to recommend that the House Rules Committee place the bill on the Third Reading Calendar. The motion passed unanimously with Sen. Allen, Sen. Hillyard, Rep. Becker, and Rep. Buffmire absent for the vote.

Sen. Bramble relinquished the chair back to Rep. Harper.

H.B. 94 Special Fuel Tax Amendments (*B. Ferry*)

Rep. Ferry introduced the bill and explained it to the committee.

Bruce Johnson, Utah Tax Commission, spoke for the bill.

MOTION: Rep. Snow moved to recommend that the House Rules Committee place the bill on the Third Reading Calendar. The motion passed unanimously with Rep. Allen, Sen. Hillyard, Rep. Becker and Rep. Buffmire absent for the vote.

H.J.R. 8 Joint Resolution Amending Highway User and Motor Fuel Funds (*S. Daniels*)

Rep. Daniels introduced the resolution and explained it to the committee.

The following people spoke against the resolution:

Glen Brown, Chair, State Transportation Committee

Lee Peacock, Chair, Utah Petroleum Association

Jim Olsen, Utah Retail Merchants and Food Industries Association

Bonnie Fernandez, Homemaker, League of Women Voters, spoke for the resolution.

Bruce Johnson, Utah Tax Commission, spoke to the resolution.

MOTION: Sen. Bramble moved to recommend that the House Rules Committee refer the resolution to interim study.

SUBSTITUTE

MOTION: Rep. Becker moved to recommend that House Rules Committee place the bill on the Third Reading Calendar. The motion failed in the Senate with Sen. Hillyard absent for the vote. The motion passed in the House with Rep. Clark, Rep. Snow and Rep. Harper voting in opposition.

The original motion passed with Rep. Becker and Rep. Shurtliff voting in opposition and Sen. Hillyard absent for the vote.

S.J.R. 6 Joint Resolution Amending Revenue and Taxation Article - Exemptions (*M. Waddoups*)

Sen. Waddoups introduced and explained the resolution.

Mike Jerman, Vice President, Utah Taxpayer Association, spoke for the resolution.

The following people spoke against the resolution:

Roger Tew, Tax Consultant, Utah League of Cities and Towns

David C. Gessel, Utah Hospital and Health Systems Association

David Spatafore, Utah League of Cities and Towns

Laurie Stringham, Recreation and Parks System, Kearns

MOTION: Rep. McCartney moved to recommend that the Senate Rules Committee refer the resolution to interim study.

SUBSTITUTE

MOTION: Sen. Stephenson moved to recommend that the Senate Rules Committee refer the resolution to a standing committee. The motion passed unanimously.

MOTION: Sen. Bramble moved to adjourn the meeting. The motion passed unanimously and the Chair adjourned the meeting at 4:15 p.m.